Committe to Examine Optimal Fund Requirement of Ministries

1942. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have appointed a Committee to examine optimal fund requirement of each Ministry;

(b) if so, the details of its composition and terms of reference;

(c) whether this Commtitee has since submitted its report; and

(d) if so, the broad details of its recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Government have constituted a Sub-Group with members from Reserve Bank of India, selected departments/Ministries of the Central Government and Controller General of Accounts to, inter alia (i) examine the working of the pilot scheme of Cash Management System in Central Government introduced in the nine departments/Ministries, (ii) review the past behavion of cash flows, (iii) recommend building up procedure under which revenue and expenditure can be identified and timed in advance with concomitant release of funds, (iv) recommend establishment of appropriate database system for the purpose of monitoring cash flows of the Central Government, and (v) recommend desirability/feasibility of extending the cash management system to other departments/ministries.

(c) and (d) The sub-Group has not submitted its Report till now.

Evasion of Income Tax

1943. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) whether despite the law of the land and its machinery, there are cases of evasion of income tax;

(b) if so, whether it is due to system failure or human failure or both;

(c) whether there will be a fool-proof system to control and contain this evil, if not possible to eradicate; and